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SUBJECT: MEDIA REACTION; ARGENTINE PRESIDENTIAL CANDIDATE CRISTINA KIRCHNER ADDRESS TO THE COUNCIL OF THE AMERICAS; ARGENTINE-VENEZUELAN TIES; 08/08/07

11. SUMMARY STATEMENT

Leading international stories today include the implications of Argentine Presidential Candidate Cristina Fernndez de Kirchner's address to the Council of the Americas; and the impact of current Argentine-Venezuelan ties on Argentina's foreign policy.

12. OPINION PIECES AND EDITORIALS

- "The difficult balance between Chavez and the idea of a better relationship with the $\ensuremath{\mathsf{US}}\xspace$ "

Eduardo van der Kooy, political columnist of leading "Clarin," writes (08/08) "Cristina Kirchner has started to 'walk along the difficult road' her husband Nestor Kirchner created during his years of government - a constant political and economic relationship with Venezuela (with occasional ups and downs) as well as a proper relationship with Washington that has always been clouded at all levels by Hugo Chavez's rapprochement.

"How can both factors be combined in Argentina's foreign policy? How can they be balanced? The senator has begun to seek some response to this real question. It is advisable to recall that neither of the Kirchners has biases against Washington. The two of them dislike the Bush administration. Kirchner decided to freeze his relationship with the Republican leader following their incident at the 2005 Mar del Plata SOA, and he will end his presidency in this way. However, in the event Cristina wins the presidency, the first half of her term will coincide with the last half of the Bush administration.

- "... Cristina's address to the Council of the Americas focused on the country's remarkable economic recovery of recent years... Chavez's stay in Buenos Aires was short and discreet he had the clear purpose of not putting the official presidential candidate into trouble. However, neither of those gestures is still enough to dispel doubts.
- "... Cristina is reported to have talked in front of Chavez... about the need to make an effort to improve the relationship between Washington and Caracas, which many times prevents the Argentine Government from implementing initiatives with the US and the main cities of Europe... The caudillo confessed there is no possibility of negotiation with Bush, but that the horizon could be better in the event Democrats take power... However, this would be too long for Cristina. She and her husband believe that the sustainability of the country's economic growth will be determined by an improvement in the quality of foreign investment, much of which is hindered by Washington's political opinion. Other investors are mistrustful because the country has not recovered its international financial reliability...

"Perhaps, Kirchner's advice to Chavez to smooth his impaired ties to Mexico is intended to soften the caudillo's isolation in the region and also to heal his ties to Washington."

- "Cristina Kirchner asks for more investment"

Paola Juarez, political columnist of daily-of-record "La Nacion," writes (08/08) "Cristina Kirchner sought to convey a message of stability before a very valued audience - the representatives of powerful US corporations. In the closing ceremony of the Council of the Americas meeting, Cristina said 'Argentina is a very good opportunity to do business.' She never raised the tone of her voice and stressed that Argentina is today 'less vulnerable' than in the '90s.

- "... She again put forward that if she takes power, she will promote a deal among the Government, businessmen and workers in order to establish long-term policies.' She stated: 'We Argentines have decided to establish a definitive primary fiscal and trade surplus as well as an unusual indebtedness process.'"
- "Cristina's pendulum"

Business-financial "Ambito Financiero" (08/08) front-pages "According to the Venezuelan leader, in less than 24 hours, Cristina de Kirchner passed from the Chavez revolution to intimacy with the imperial Dracula (the US). Or, according to the US version, she passed from talking to the Caribbean dictator to the purest US spirit, which was represented by the Council of the Americas... In both places she felt comfortable, flattered... In both places, she had to listen to charges - those from the Venezuelans against the US, and others from the Americans against Hugo Chavez. From what was heard, she does not mediate in the conflict... and, curiously enough, she avoids defending a friend in front of an enemy and vice versa. Her attitude is surprising based on the fact that the

presidential candidate's position is not between the two extremes but on every single occasion she supports every one of them, according to the moment, place and convenience...

"One should accept that Cristina and her husband's obvious pendulum seem to please their visitors... They must enjoy it - Chavez does not take notice of the lack of solidarity..."

- "Negative impact of (Argentina's) ties to Chavez"

Daily-of-record "La Nacion" front-pages an opinion piece by political analyst Joaquin Morales Sol, who opines (08/08) "Nestor Kirchner's problem is that Hugo Chavez is negative rather than positive for him. Does he not know it? Does he ignore that an important number of Argentines and great part of the world have a very critical opinion of the Venezuelan leader? If this is so, the Argentine president is reported to have lost social sensitivity and foreign opinion would be indifferent to him...

"According to the Argentine diplomatic tradition, the country seldom distanced itself from any foreign government. Chavez is an example of this...

"Nevertheless, the difference with Kirchner is that his relationship with Chavez is the only international relationship the Argentine president takes care of and cultivates. He has had tension and disagreement with Brazil and Spain themselves... Instead, he is not reported to have any vital point of disagreement with the Caracas caudillo. According to Kirchner, Chavez has an asset that he cannot afford to lose - money and energy.

"With those two things, Chavez has done good business with Argentina...

"... Does Argentina depend on Chavez? In a certain way, it does. Kirchner often says that his partnership with the Venezuelan is a relationship of mutual interest, not an ideological one. The conflict appears when interests are so profound and imperative that they end up getting confused with ideas.

"The problem is not only with Argentina... Almost all Mercosur countries have quickly forgotten that, in addition to the bloc's tariff- and rate-related commitments, there is a Democratic Charter in South America's alliance that should be honored by all its member countries. Chavez does not honor it except for the democratic origin of his power."

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